



# House of Representatives

General Assembly

**File No. 398**

*January Session, 2011*

House Bill No. 5189

*House of Representatives, April 6, 2011*

The Committee on Human Services reported through REP. TERCYAK of the 26th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

***AN ACT CONCERNING THE EMPLOYMENT OF PERSONS IN CERTAIN STATE-FUNDED HEALTH CARE POSITIONS IN CONNECTICUT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2011*) Any employer, as  
2 defined in subdivision (4) of section 31-128a of the general statutes,  
3 that receives state funds to provide health care services, shall require  
4 its employees who work in positions involving claims processing,  
5 customer service or other similar functions to perform such work at a  
6 facility located in Connecticut. For purposes of this section, "health  
7 care services" means services for the diagnosis, prevention, treatment,  
8 cure or relief of a health condition, illness, injury, disease or disability.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2011</i>	New section
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**HS**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 12 \$</b>	<b>FY 13 \$</b>
Mental Health & Addiction Serv., Dept.; Social Services, Dept.; Children & Families, Dept.	GF - Uncertain	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

#### **Explanation**

The bill requires certain state funded services performed by non-governmental employees to occur at a Connecticut facility, the impact of which is uncertain. The impact of the bill depends on whether or not such services provided in-state can be procured at higher, lower, or the same rate as it is currently provided for out-of-state. For example, the Departments of Social Services, Mental Health and Addiction Services, and Children and Families contract with an administrative services organization, Value Options. To the extent that any qualifying functions are provided out-of-state, the state will either have to 1) renegotiate the contract to provide such services in state, 2) procure services from another in-state vendor, or 3) hire staff to perform services currently provided out-of-state.

#### **The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to available in-state services and rates.

**OLR Bill Analysis****HB 5189*****AN ACT CONCERNING THE EMPLOYMENT OF PERSONS IN CERTAIN STATE-FUNDED HEALTH CARE POSITIONS IN CONNECTICUT.*****SUMMARY:**

This bill requires non-governmental employers that receive state funds to provide health care services (services for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, disease, or disability) to require its employees performing claims processing, customer service, and similar functions to work at a Connecticut facility.

EFFECTIVE DATE: October 1,, 2011

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable

Yea 12      Nay 6      (03/22/2011)